

DOCKET FILE COPY ORIGINAL

WC 08-47



221 E. Fourth St.  
P.O. Box 2301  
Cincinnati, Ohio 45201-2301

March 27, 2008

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
236 Massachusetts Avenue, NE  
Suite 110  
Washington, DC 20002

Received US Bank

MAR 27 2008

Gov't. LEX Operations

Re: Application for Transfer of Control of Domestic Section 214 Authorizations Held By  
CenturyTel Acquisition LLC

Dear Ms. Dortch:

Enclosed please find one original and four copies of the Application for Transfer of Control of Domestic Section 214 Authorizations Held By CenturyTel Acquisition LLC.

Once copy of the application and a Form 159 remittance for the application was sent to the lock box in St. Louis, Missouri via overnight courier for delivery today.

An additional copy of this cover letter is enclosed herewith. Please date stamp and return this additional copy.

Questions regarding the enclosed application should be directed to Gregory J. Vogt at (703) 838-0115.

Sincerely,

A handwritten signature in cursive script that reads "Patricia L. Rupich".

Patricia L. Rupich  
Senior Regulatory Analyst

Enclosure

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of )

CenturyTel Acquisition LLC, Transferor )

and )

Cincinnati Bell Extended Territories LLC, )  
Transferee )

Application for Authorization Pursuant to )  
Section 214 of the Communications Act of 1934, )  
as Amended for Transfer of Control of the assets )  
of Certain CenturyTel Acquisition LLC's Assets )  
in the Dayton, Ohio Market )

WC Docket No. 08-\_\_\_\_\_

**APPLICATION FOR TRANSFER OF CONTROL OF DOMESTIC SECTION 214  
AUTHORIZATIONS HELD BY CENTURYTEL ACQUISITION LLC**

CenturyTel Acquisition LLC ("CTA" or "Transferor") and Cincinnati Bell Extended Territories LLC ("CBET" or "Transferee") (collectively the "Applicants"), pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (the "Act"), and Section 63.04 of the rules of the Federal Communications Commission ("FCC" or the "Commission"), 47 C.F.R. § 63.04, hereby request authority to transfer control of assets held under the domestic Section 214 authorization held by CTA to CBET. As described in this application, CBET has entered into an asset purchase agreement ("Asset Purchase Agreement") with CTA to acquire specific tangible and intangible assets, customer contracts, and network infrastructure of CTA in the Dayton, Ohio market and CBET will provide service to CTA's former customers upon completion of the transaction, subject to a transition agreement ("Transition Agreement") whereby CTA will continue to provide certain transition services for up to 90 days thereafter.

Both CTA and CBET operate as competitive local exchange carriers ("CLECs") in the Dayton, Ohio market.

Pursuant to Section 63.04(a) of the Commission's rules, the Applicants provide the following information in support of this transaction related to the transfers of domestic 214 authority:

**(1) Applicants' Names, Addresses and Telephone Numbers**

**Transferor:** CenturyTel Acquisition LLC  
100 CenturyTel Drive  
Monroe, LA 71203  
(318) 388-9000

**Transferee:** Cincinnati Bell Extended Territories LLC  
221 East Fourth Street  
Mailstop 103-1290  
Cincinnati, Ohio 45202  
(513) 397-6351

**(2) State of Organization**

(a) **Transferor:** CTA is a limited liability company organized under the laws of the State of Louisiana.

(b) **Transferee:** CBET is a limited liability company organized under the laws of the State of Ohio.

**(3) Contact Information**

All correspondence, notices and inquiries regarding this transaction should be addressed to:

**Transferor:** Stacey W. Goff  
Senior Vice President, General Counsel & Secretary  
CenturyTel Acquisition LLC  
100 CenturyTel Drive  
Monroe, LA 71203  
(318) 388-9000

**with copy to:** Gregory J. Vogt  
Law Offices of Gregory J. Vogt, PLLC  
2121 Eisenhower Ave.

Suite 200  
Alexandria, VA 22314  
(703) 838-0115

**Transferee:** Christopher J. Wilson  
Vice President, General Counsel & Secretary  
Cincinnati Bell Extended Territories LLC  
221 East Fourth Street  
Mailstop 103-1290  
Cincinnati, OH 45202  
(513) 397-6351

**with copy to:** Kermit Lovelace  
Cincinnati Bell Extended Territories LLC  
221 East Fourth  
Mailstop 103-740  
Cincinnati, OH 45202  
(513) 397-7326

**(4) Ten percent (10%) Equity Shareholders**

**Transferor:** CTA is a direct, wholly owned subsidiary of CenturyTel, Inc. ("CenturyTel"), 100 CenturyTel Drive, Monroe, Louisiana, 71203. CTA is a limited liability company organized under the laws of the State of Louisiana, and its parent company, CenturyTel, is a Louisiana corporation. The equity of CenturyTel is widely held and publicly-traded on the New York Stock Exchange under the symbol "CTL". To CenturyTel's knowledge, no individual or entity directly or indirectly owns 10 percent or more of the equity of CenturyTel.

**Transferee:** CBET, an Ohio company, is a direct, wholly owned subsidiary of Cincinnati Bell Telephone Company LLC ("CBT"), an Ohio company. CBT is a direct, wholly owned subsidiary of Cincinnati Bell Inc. ("CBI"), an Ohio corporation. CBI is a publicly held company whose stock is traded on the New York Stock Exchange under the symbol "CBB". Based on recent Securities and Exchange Commission filings, no individual or entity owns 10

percent or more of the equity of CBI. The address for each of the entities is: 221 East Fourth Street, Cincinnati, OH 45202.

**(5) Certification Pursuant to Rules 1.2001-1.2003**

Applicants hereby certify, pursuant to 47 C.F.R. §§ 1.2001-1.2003, that to the best of their knowledge, information, and belief, no party to the application is subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862, as documented by the attached Declarations.

**(6) Description of the Parties, the Relevant Geography, and the Transaction**

**(a) Description of CTA**

CTA provides local voice, long distance, data, and Internet services to businesses and carriers in the Dayton, Ohio market as a CLEC in competition with the incumbent local exchange carrier ("ILEC") in the market, AT&T, and other carriers in the market. CTA provides service primarily to businesses and carriers in that market. CenturyTel, the parent company of CTA, offers integrated communications, entertainment and high-speed Internet services in various markets in 25 states throughout the United States. It is also the ILEC in most of these markets, which serve small- to mid-sized cities and rural areas. CenturyTel has no ILEC operations in or adjacent to the Dayton, Ohio market.

**(b) Description of CBET**

CBET is a competitive telecommunications provider that offers bundled local voice, data, and high speed Internet services to residential, business and carrier customers in Greater Dayton, Mason, Oxford, and Lebanon, Ohio. CBET is a wholly owned subsidiary of CBT, which is in turn wholly owned by CBI. CBT is the ILEC in Cincinnati, Ohio, and its service area is physically separate from and noncontiguous with CTA's service area in the Dayton, Ohio

market. CBI, through its subsidiaries, offers integrated telecommunications and broadband services in a number of markets throughout the United States. For the Commission's reference, a current organizational chart of CBI and the relevant subsidiaries to this transaction is attached hereto as Exhibit A.

**(c) Description of the Transaction**

Through the Asset Purchase Agreement entered into between the parties, dated March 7, 2008, CTA agreed to sell specific tangible and intangible property, customer and other contracts, metropolitan area network transmission and switching facilities, and inventory of CTA with respect to the Dayton, Ohio market. As of the closing date, a Transition Agreement provides that CTA will provide to CBET certain transition services in the Dayton, Ohio market for no longer than 90 days. The Agreement also provides for notice to employees currently working for CTA's Dayton, Ohio operations and addresses their employment status subsequent to the closing of the instant transaction.

**(7) Streamlined Treatment**

The Applicants respectfully request streamlined treatment of the Application. Pursuant to Section 63.03 of the Commission's rules, an application for approval of a transfer of assets subject to domestic Section 214 authority is presumptively subject to streamlined treatment if (1) the transaction would result in a transferee having a market share in the interstate, interexchange market of less than 10 percent; (2) the transferee would provide competitive telephone exchange services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and (3) the applicants are a dominant carrier and a non-dominant carrier that provides service exclusively outside the geographic area where the dominant carrier is dominant.

The transaction proposed meets these criteria. First, CBET and CTA, taken together, would have a market share in the interstate, interexchange marketplace of considerably below 10 percent.<sup>1</sup> Second, CBET post transaction will provide competitive local exchange service only in markets in which its affiliate CBT is not the dominant carrier, which includes the Dayton, Ohio market. Third, as discussed above, there is no geographic overlap between CBT's ILEC territories and the Dayton, Ohio operations of CTA. As the Commission has held,

with respect to transfers of control involving dominant carriers, we are less concerned about the likelihood of public interest harms occurring as a result of a merger with a carrier that operates outside of a dominant carrier's region than we are about the likelihood that public interest harms might occur as a result of a merger with a carrier that operates within the dominant carrier's region.<sup>2</sup>

**(8) Other Related Applications Before the Commission**

There are no other applications filed with respect to this transaction.

**(10) Statement of Imminent Business Failure**

Not applicable.

**(11) Separately-Filed Waiver Requests**

None.

**(12) Public Interest Statement**

The proposed transaction will result in significant benefits for CTA's current customers and operations. CTA's operations in Dayton, Ohio do not fit well with CenturyTel's core strategic asset profile. CBET's business in Greater Dayton, Mason, Oxford, and Lebanon, Ohio

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<sup>1</sup> It should also be noted that all of CBI's affiliates post transaction will have less than a 10 percent market share of the interstate, interexchange market.

<sup>2</sup> *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, 17 FCC Rcd 5517, 5533-34, ¶ 31 (2002). Although irrelevant to the streamlined processing requested, we also note that, although each applicant's parent company is an ILEC, each have access lines which total less than two percent of the nationwide total access lines.

has been expanding, and it serves a significantly greater number of customers than does CTA's current Dayton, Ohio operations. Therefore, CBET, together with its affiliates, is better able to provide CTA's current customers with a broader mix of services than they are able to receive at present. Existing customers will be protected in the transaction to ensure that they receive services and pricing equivalent to that which they were previously offered by CTA. CBET will notify the FCC and customers of the transfer pursuant to the procedures outlined in 47 C.F.R. § 64.1120(e).

The combination of CTA's Dayton, Ohio operations with CBET's operations in that market will reduce overall operating costs. Network support and provisioning functions will become relatively less costly because of the economies of scale that can be achieved through CBET's relatively larger operations in the Dayton, Ohio market. These efficiencies will strengthen CBET and better enable it to compete with the incumbent local exchange carrier in the market. Competition will continue to be robust because there are currently eight carriers other than the post-transaction CBET and AT&T which are offering telecommunications services in the Dayton, Ohio market.

This transaction is also similar to other transactions approved by the Commission.<sup>3</sup> Consistent with precedent, the proposed transaction will serve the public interest, convenience, and necessity by strengthening CBET and by directly benefiting all affected consumers. Accordingly, the Commission should approve the proposed transaction expeditiously.

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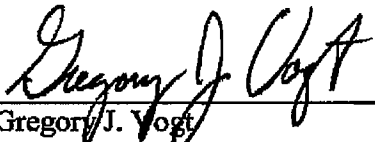
<sup>3</sup> See, e.g., *Joint Applications of OnePoint Communications Corp. and Verizon Communications for Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, To Transfer Control of Authorizations to Provide Domestic Interstate and International Telecommunications Services as a Non-Dominant Carrier*, 15 FCC Red 24165, 24168, ¶ 8 (Com. Car. Bur., 2000).



For the foregoing reasons, Applicants respectfully request that the Commission promptly place this application on streamlined processing for its domestic Section 214 asset transfer request and promptly grant this Application.

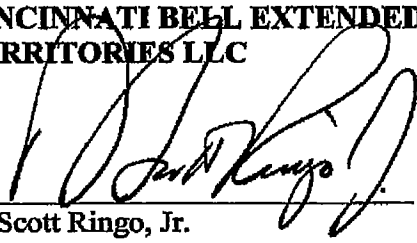
Respectfully Submitted,

**CENTURYTEL ACQUISITION LLC**

  
\_\_\_\_\_  
Gregory J. Vogt  
Law Offices of Gregory J. Vogt, PLLC  
2121 Eisenhower Ave.  
Suite 200  
Alexandria, VA 22314  
(703) 838-0115

*Counsel for CenturyTel Acquisition LLC*

**CINCINNATI BELL EXTENDED  
TERRITORIES LLC**

  
\_\_\_\_\_  
D. Scott Ringo, Jr.  
Cincinnati Bell Extended Territories LLC  
221 East Fourth St.  
Mailstop 130-1280  
Cincinnati, OH 45202  
(513) 397-1354

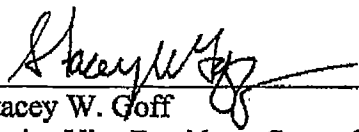
*Representative for Cincinnati Bell  
Extended Territories, LLC*

March 27, 2008

# DECLARATION OF STACEY W. GOFF

I, Stacey W. Goff, Senior Vice President, General Counsel & Secretary, of CenturyTel, Inc. declare under penalty of perjury that CenturyTel, Inc., including all officers, directors, or persons holding five percent or more of the outstanding stock or shares (voting and/or non-voting) of CenturyTel, Inc., as specified in Section 1.2003(b) of the Commission's Rules, is not subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

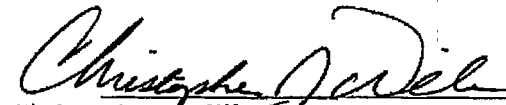
Executed on: March 27, 2008

  
Stacey W. Goff  
Senior Vice President, General  
Counsel & Secretary  
CenturyTel, Inc.

**DECLARATION OF CHRISTOPHER J. WILSON**

I, Christopher J. Wilson, Vice President, Secretary, and General Counsel of Cincinnati Bell, Inc. ("CBI"), declare under penalty of perjury that CBI, including all officers, directors, or persons holding five percent or more of the outstanding stock or shares (voting and/or non-voting) of CBI as specified in Section 1.2003(b) of the Commission's Rules, is not subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

Executed on: March 20, 2008

A handwritten signature in cursive script, appearing to read "Christopher J. Wilson", written in dark ink.

Christopher J. Wilson  
Vice President, Secretary, and General  
Counsel  
Cincinnati Bell, Inc.

# Exhibit A

## **Cincinnati Bell Inc. Organizational Chart**

